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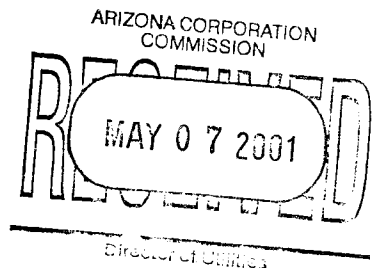
ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02230A WATER
~~FRONTIER~~ JOHNNY A. MCLAIN
MUSTANG WATER COMPANY
PO BOX 2903
SIERRA VISTA AZ 85635-0000

ANNUAL REPORT



FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

APPROVED

COMPANY INFORMATION

Company Name (Business Name) MUSTANG WATER CO

Mailing Address P O Box 2903
(Street)
SIERRA VISTA AZ 85636-2903
(City) (State) (Zip)

520-3786549 SAME 520-4523544
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address NA

Local Office Mailing Address SAA
(Street)
(City) (State) (Zip)

SAA
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address NA

MANAGEMENT INFORMATION

Management Contact: SAA
(Name) (Title)
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: SAA
(Name)
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Johnny A McLean

(Name)

7110 IAXEL RD

(Street)

HEREFORD

(City)

AZ

(State)

(Zip)

520 378 3349

Telephone No. (Include Area Code)

SAME

Fax No. (Include Area Code)

520 452 3344

Pager/Cell No. (Include Area Code)

Attorney: NA

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☒ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☒ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

MUSTANG WATER CO

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	400	80	320
302	Franchises <AJ>	2900	1780	1120
303	Land and Land Rights	5000	2350	2650
304	Structures and Improvements	10249	2545	7704
307	Wells and Springs	13703	7792	5911
311	Pumping Equipment <i>Raworth 3700</i>	32080	14087	17993
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	7859	2611	5248
331	Transmission and Distribution Mains	35993	17844	18149
333	Services	4850	1943	2907
334	Meters and Meter Installations	5500	2784	2716
335	Hydrants	0	0	0
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	1160	590	570
340	Office Furniture and Equipment	1124	610	514
341	Transportation Equipment <i>New 1200</i>	8386	2896	5490
343	Tools, Shop and Garage Equipment <i>New 150</i>	1050	573	477
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment <i>New 300</i>	600	220	380
346	Communication Equipment <i>New 200</i>	1416	452	964
347	Miscellaneous Equipment	325	209	116
348	Other Tangible Plant	0	0	0
	TOTALS	132595	59366	73229

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

MUSTANG WATER CO

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	400	5%	20
302	Franchises	2900		145
303	Land and Land Rights	5000		250
304	Structures and Improvements	10249		513
307	Wells and Springs	13703		685
311	Pumping Equipment	32080		1604
320	Water Treatment Equipment	0		0
330	Distribution Reservoirs and Standpipes	7859		393
331	Transmission and Distribution Mains	35993		1800
333	Services	4850		243
334	Meters and Meter Installations	5500		275
335	Hydrants	0		0
336	Backflow Prevention Devices	0		0
339	Other Plant and Misc. Equipment	1160		58
340	Office Furniture and Equipment	1124		56
341	Transportation Equipment	8386		419
343	Tools, Shop and Garage Equipment	1050		53
344	Laboratory Equipment	0		0
345	Power Operated Equipment	600		30
346	Communication Equipment	1416		71
347	Miscellaneous Equipment	325		16
348	Other Tangible Plant	0		0
	TOTALS	132595		6631

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME MYSTANG WATER CO

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 29	\$ 295
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable		986
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1157	\$ 571
	FIXED ASSETS		
101	Utility Plant in Service	\$ 124845	\$ 138595
103	Property Held for Future Use	5750	0
105	Construction Work in Progress	2380	0
108	Accumulated Depreciation -- Utility Plant	52736	59366
121	Non-Utility Property	0	0
122	Accumulated Depreciation -- Non Utility	0	0
	TOTAL FIXED ASSETS	\$ 82739	\$ 73229
	TOTAL ASSETS	\$ 83396	\$ 73800

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

MYSTANG WATER CO

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 2100	\$ 3260
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits SEC(150) MDT(2295)	180	2445
236	Accrued Taxes	37500	50500 EST
237	Accrued Interest	0	6391 EST
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$ 39780	\$ 56205
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	0	0
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 39780	\$ 56205
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value	0	0
215	Retained Earnings	0	0
218	Proprietary Capital (Sole Props and Partnerships)	(43616)	(17595)
	TOTAL CAPITAL	\$ 43616	\$ 17595
	TOTAL LIABILITIES AND CAPITAL	\$ 83396	\$ 73800

COMPANY NAME

MUSTANG WATER CO

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 18 642	\$ 20 528
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	0	0
	TOTAL REVENUES	\$ 18 642	\$ 20 528
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 68	\$ 560
610	Purchased Water	0	0
615	Purchased Power	23.42	2779
618	Chemicals	250	275
620	Repairs and Maintenance	2890	1385
621	Office Supplies and Expense	335	(See 630) —
630	Outside Services	3354	7500
635	Water Testing	385	1500
641	Rents	540	1714
650	Transportation Expenses	675	1200
657	Insurance – General Liability	473	3400
659	Insurance - Health and Life	603	1500
666	Regulatory Commission Expense – Rate Case	0	0
675	Miscellaneous Expense	0	0
403	Depreciation Expense	6342	6631
408	Taxes Other Than Income	0	0
408.11	Property Taxes	NOT PAID EST (7200)	EST 9300 NP
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 30 347	\$ 37 744
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	TOTAL OTHER INCOME/EXP	\$ 0	\$ 0
	NET INCOME/(LOSS)	(\$11705)	(\$17216)

COMPANY NAME

MUSTANG WATER CO

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 2445

SEC. 150 - MET - 2295

Meter Deposits Refunded During the Test Year

\$ 1718

COMPANY NAME

MUSTANG WATER CO

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
	25	300	8	3
	5	90	8	NA
NOT IN USE	3	50	6	20 MM

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
CRYSTAL WATER	50	NA

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 5099978

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
NA			
		NA	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
NA			
		7000	1

STATISTICAL INFORMATION

Total number of customers 53

Total number of gallons sold 5049304 gallons

COMPANY NAME Muntang water YEAR ENDING 12/31/2000

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. INADEQUATE CASH FLOW

COMPANY NAME MUSTANG WATER CO

YEAR ENDING 12/31/2000

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 0
Estimated or Actual Federal Tax Liability 0State Taxable Income Reported 0
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Anthony A. McLean
SIGNATURE12-31-00
DATEAnthony A. McLean
PRINTED NAMEowner
TITLE

COMPANY NAME MUSTANG water co YEAR ENDING 12/31/2000

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

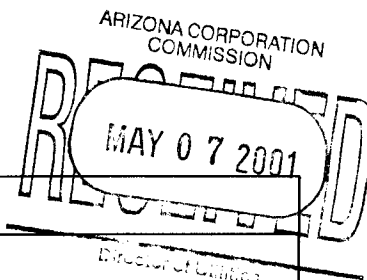
Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below: INADEQUATE CASH FLOW

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF AZ

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>COCHISE</u>
NAME (OWNER OR OFFICIAL) TITLE <u>JOHNNY A McHAIR</u>
COMPANY NAME <u>MUSTANG WATER CO</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 20528

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1044

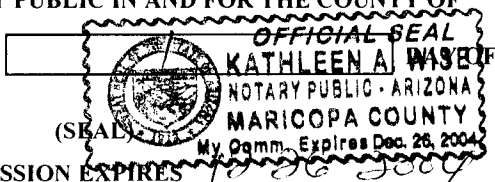
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

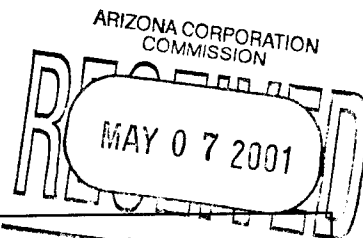


MY COMMISSION EXPIRES 12-26-2004

Johnny A McHair
SIGNATURE OF OWNER OR OFFICIAL
520-378-3349
TELEPHONE NUMBER

COUNTY NAME	<u>Cochise</u>	
MONTH	<u>May</u>	<u>2001</u>
<u>[Signature]</u> SIGNATURE OF NOTARY PUBLIC		

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>MUS TANG WATER CO</u>	
NAME (OWNER OR OFFICIAL) <u>JOHANNY A MC HAIN</u>	TITLE <u>owner</u>
COMPANY NAME <u>MUS TANG WATER CO</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2000</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>20528</u>
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1044
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X JOHANNY A MC HAIN
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME <u>Kathleen A. Wise</u>	
COUNTY NAME <u>Cochise</u>	
MONTH <u>May</u>	<u>20 01</u>

X Kathleen A. Wise
SIGNATURE OF NOTARY PUBLIC